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May 10, 2021

Sent via eFile

FORTISBC INC. RATE DESIGN & RATES FOR ELECTRIC VEHICLE DIRECT CURRENT FAST CHARGING SERVICE EXHIBIT A-16

To: FortisBC Inc.
Registered Interveners

Re: FortisBC Inc. – Rate Design and Rates for Electric Vehicle Direct Current Fast Charging Service Application – Project Number 1598940 – Oral Submissions

By Orders G-33-21 dated January 28, 2021, G-58-21 dated March 1, 2021 and G-90-21 dated March 23, 2021, the British Columbia Utilities Commission (BCUC) amended the regulatory timetable for the review of the above-noted Application by FortisBC Inc. (FBC). The final arguments and supplementary arguments process concluded on April 20, 2021.

Further to the consideration of the above arguments, the Panel requests oral submissions from FBC and interveners to clarify and elaborate on their arguments, as outlined in Appendix A of this letter. **Oral submissions will be held on Thursday, May 27, 2021, commencing at 3:00 p.m.**

Due to the Provincial Health Officer Order related to COVID-19, the session will be held virtually with FBC and interveners via Microsoft Teams. The general public may stream the web broadcast at https://www.allwestbc.com/webcast.html. The oral submissions will also be transcribed for the proceeding record. Interveners are required to confirm their online attendance by emailing the Commission Secretary at Commission.Secretary@bcuc.com by 4:00 p.m., Tuesday, May 25, 2021. Any party who is unable to attend virtually may file their submissions in writing by 4:00 p.m., Wednesday, May 26, 2021.

If you have any questions, please contact the undersigned for more information.

Sincerely,

Original signed by Jessica O'Brien on behalf of:

Patrick Wruck
Commission Secretary

LC/dg
Enclosure

FortisBC Inc.
Application for Approval of Rate Design and Rates
for Electric Vehicle Direct Current Fast Charging Service

ORAL SUBMISSIONS

Interpretation of the purpose and object of the *Clean Energy Act* (CEA) and *Greenhouse Gas Reduction (Clean Energy) Regulation* (GGRR)

FortisBC Inc. (FBC) submits that the British Columbia Utilities Commission (BCUC) must give section 18 of the CEA and section 5 of the GGRR "a fair, large and liberal interpretation that best ensures the attainment of its objects" in accordance with the *Interpretation Act*.[1] FBC argues that the purpose and object of the CEA and GGRR are "to endorse and encourage the actions of public utilities to invest in eligible charging stations in order to reduce greenhouse gas emissions in B.C."[2]

1. How does a "fair, large and liberal interpretation" lead to the interpretation that the CEA and GGRR "endorse and encourage" public utilities (as opposed to non-regulated EV charging service providers) to invest in EV charging stations? Why is it not equally plausible that a reduction of greenhouse gas emissions in BC can be achieved by public utilities not investing in EV charging stations, limiting investments in certain segments of the EV charging market only, or having other EV charging service providers make the investments in a competitive market?

With respect to the interpretation of "eligible charging site" as contained in section 5 of the GGRR, FBC submits:

> When interpreting legislation, attention must also be placed on its purpose. When reading section 5 of the GGRR as a whole, it is apparent that the purpose of the definition of "eligible charging site" is to introduce the concept of location so that site limits on specific municipalities can be incorporated. Therefore, the key aspect of the "eligible charging site" is the municipality in which it is located, as this will determine the applicable "site limit" (if any). Other than determining the applicable "site limit" (if any), there is no other purpose of the definition of "eligible charging site".[3]

2. How does the notion of a site limit support the purpose and objective of section 18 of the CEA and section 5 of the GGRR?

Interpretation of "eligible charging site"

3. If one area has multiple clusters of EV charging stations, would that entire area be considered one "site" or would each cluster be considered a separate "site" for the purposes of section 5(1) and 5(2)(b)(ii) of the GGRR?
    a. Scenario A: a limited municipality has a limit of 2 eligible charging sites, and it currently only has eligible charging stations located in one parking lot, but the stations are located as one cluster at one end of the parking lot and another cluster at the other end. The existing stations in the lot

[1] FBC Final Argument, p. 4.
[2] Ibid., p. 12.
[3] Ibid., p. 5

are not owned and operated by FBC, could FBC construct and operate eligible charging stations in a separate cluster in the same parking lot as a prescribed undertaking?

b. Scenario B: a limited municipality has a limit of 2 eligible charging sites, and it currently only has eligible charging stations located at one shopping centre. The shopping centre has 3 different parking lots (i.e. lots A, B, and C). Lots A and B currently have eligible charging stations that are not owned and operated by FBC, could FBC construct and operate eligible charging stations in lot C as a prescribed undertaking?

4. Would the answer to the preceding questions change if there were multiple EV charging station operators operating within the same area or within each cluster of charging stations?

Investment time horizon and keeping up with technology

FBC states that its "proposed rates are based on a cost of service analysis of its eligible charging stations and assume a reasonable level of use based on FBC's experience with its existing stations and projected growth in sales of EVs in BC over the next 10 years."[4] However, interveners note that the inputs used in FBC's model contain considerable uncertainty and are difficult to predict over the 10 year period.[5] FBC does not believe a formal EV charging service resource plan is required at this time because it is not clear whether additional investment will be required to further support public fast charging services in FBC's service territory.[6]

FBC notes that after 10 years, its charging stations technology will become obsolete and the equipment will have reduced reliability.[7] Flintoff submits that EV technology is rapidly changing and the industry will most likely produce EVs with increased range, requiring higher battery charging rates and shorter charging times.[8]

5. How would FBC ensure that its EV charging station technology is kept current and competitive with other service providers? How would FBC address the disposal and retirement of its EV charging equipment if it becomes obsolete sooner than expected?

[4] FBC Final Argument, p. 26.
[5] BCOAPO Final Argument, pp. 14, 17; BCSEA-VEVA Final Argument, p. 13; CEC Final Argument, p. 13.
[6] Exhibit B-7, BCUC IR 16.1.
[7] Ibid., BCUC IR 11.2.1
[8] Flintoff Final Argument, p. 11.